

REMARKS

Summary of the Office Action

Claims 1-47 are pending in the application. Of these claims, claims 1, 11-20, and 30-38 have been withdrawn from consideration.

Claims 2, 3, 8-10, 21-22, 27-29, 39-43, and 45-47 have been rejected as allegedly obvious over U.S. No. 5,815,657 to Williams et al. ("Williams") in view of U.S. Patent No. 5,287,269 to Dorrough et al. ("Dorrough").

Claims 4 and 23 have been rejected as allegedly obvious over Williams in view of Dorrough and of "AMBALINK UNIVERSAL NEWS SERVICES LIMITED," Universal News Services, PR Newswire, London, June 8, 1999 ("Ambalink").

Claims 5-7 and 24-26 have been rejected as allegedly obvious over Williams in view of Dorrough and of U.S. Patent No. 6,449,601 to Friedland et al. ("Friedland").

Applicant's Response

**The 35 U.S.C. 103(a) Rejections**

Applicant has amended independent claims 2 and 39 to patentably distinguish over the prior art of record. In particular, independent claims 2 and 39 have been amended to recite that electronic tokens are issued by a vendor and purchased by a user to finance a purchase, that the tokens are

stored and redeemable only by the vendor, and that the purchase price is always set at an integer multiple of the electronic tokens. Support for this recitation can found in the description of the specification, e.g. at pages 13-15 and page 18.

As amended, claims 2 and 39 are patentably distinguishable over Williams.

Williams is directed at an electronic payment system, called PayWindow, that is **independent of any vendors** and managed by a financial institution. PayWindow collects financial information from consumers and enables payments to **any vendors** that accept the PayWindow system. Upon a purchase, PayWindow provides a graphic display of a wallet that **allows the consumer to select the preferred payment system** (for example, a credit card or an electronic fund transfer), the consumer **being debited in legal currency and in centesimal amounts**, if appropriate. William's system is reminiscent of the PayPal® system.

On the contrary, Applicant's invention is directed at an electronic token system **managed by an individual vendor**, based on **pre-payment** by a consumer in exchange for the electronic tokens in the fashion of a **substitute currency**. The consumer can **use the tokens only with that vendor**, who stores the tokens for the consumer and who forces the consumer to use the tokens within its "closed" system. All items sold by the vendor can be purchased only **in integer multiples** of the tokens, for a total cost that may **exceed the price in real currency**. The personal information of the consumer is stored by the vendor. In different embodiments, consumers may trade electronic tokens to complete a transaction on the vendor's web site (for example, an auction web site) or one vendor may agree to accept the tokens

of a different vendor. Applicant's invention is reminiscent of having a vendor mint his own currency.

Nothing in Williams teaches or disclosed Applicant's invention, and Williams provides no suggestion nor motivation to combine its teaching with any of the cited references to provide Applicant's invention.

Dorrough teaches an apparatus and method for accessing events, areas and activities that are essentially based on having a consumer purchase a pre-paid debit card that is charged when the consumer actually accesses the events, areas, and activities.

Ambalink teaches the transmission of an authorization code to consumers making online purchases.

Friedland teaches a method for distributing a live auction over the internet to remote bidders, consisting in having a human proxy attend the live auction, compose status updates, distribute those updates to the remote bidders over the internet, and place bids at the auction on behalf of the remote bidders.

One skilled in the art will recognize that the combination of Williams with Dorrough, Ambalink, or Friedland does not provide Applicant's invention, because the elements of Applicant's invention cannot be found any such combination.

Therefore, Applicant respectfully requests that the rejection of claims 2 and 39 be withdrawn.

Applicant has further amended claim 45, replacing "merchant" with "vendor," because "merchant" has no proper antecedent basis. Applicants submits that all remaining

dependent claims, namely claims 3-10 and 40-47, are allowable for the same reasons as independent claims 2 and 39.

Therefore, Applicant respectfully requests that the rejection of claims 2-10 and 39-47 under 35 U.S.C. 103(a) be withdrawn.

#### **New Claims**

New claim 48 is directed at having different consumers trade electronic tokens at the vendor's web site. Support can be found in the specification, e.g. at p. 36.

New claim 49 is directed at having the vendor receive a commission on the trade of the electronic tokens. Support can be found in the specification, e.g. at p. 40.

New claim 50 is directed at having the user feed personal information into a vendor database upon purchase of the electronic tokens. Support can be found in the specification, e.g. at p. 20.

New claim 51 is directed at having a second vendor accept the electronic tokens issued by a first vendor. Support can be found in the specification, e.g. at p. 45.

New claim 52 is directed at having the second vendor discount the tokens issued by the first vendor. Support can be found in the specification, e.g. at p. 48.

New claim 53 is directed at establishing an interpayment system between the first and second vendors. Support can be found in the specification, e.g. at p. 48.

New claim 54 is directed at having the second vendor access the first vendor's database, thereby facilitating

acceptance by the second vendor of electronic tokens issued by the first vendor. Support can be found in the specification, e.g. at p. 48.

**Amendment to The Specification**

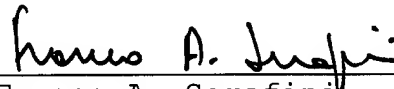
A paragraph has been deleted at p. 45, because that paragraph is identical to the immediately preceding paragraph.

CONCLUSION

In view of the foregoing amendments and comments, Applicant respectfully submits that the application is now in condition for allowance. An early and favorable action is earnestly requested.

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Respectfully submitted,



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